

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GLENDALE, CALIFORNIA AMENDING SECTIONS 9.30.010; 9.30.020; 9.30.025, 9.30.032; 9.30.050; 9.30.100 OF TITLE 9 OF THE GLENDALE MUNICIPAL CODE, 1995, RELATING TO JUST CAUSE, OFFERS OF ONE YEAR LEASES AND RETALIATORY EVICTIONS

WHEREAS, increasing rents and stagnant area median income have created a growing affordability gap in Glendale between income and rents demonstrated by the increase in overpaying renter households; and

WHEREAS, the housing supply in Glendale, particularly available rental housing, is not adequate to serve the needs of the community; and

WHEREAS, members of the community have expressed their concerns to the City Council and Housing Authority regarding the rental housing situation in the City of Glendale and reported excessive rental increases on April 26, July 26, August 23, and December 13, 2016; and

WHEREAS, the City Council and Housing Authority solicited input and discussed rental relief options; and

WHEREAS, the reports to the City Council and Housing Authority included rental market data, household incomes, growth projections and census data demonstrating increasing rents, the impact of these rent increases on renter households and household income levels, and displacement of renters caused by significant or excessive rent increases; and

WHEREAS, the Council desires to enact a requirement that landlords offer tenants a written one year lease, with an option to renew, where the rental rates are set in the agreement, in order to provide stability and minimize the effects of displacement caused by significant or excessive rent increases.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA:

SECTION 1. Section 9.30.010 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.010 Legislative purpose.

It is found and declared that there is an increasing demand for rental housing in the city of Glendale which has resulted in a critically low vacancy factor. In addition, an increasing number of residential rental housing units have substandard living conditions and reduced services. Tenants who have complained about substandard living conditions and/or a reduction in services have been threatened with eviction, and oftentimes have been evicted. Other tenants are fearful of eviction and, as a result, fail to complain about substandard living conditions. This circumstance is disruptive to a stable living environment and has a detrimental effect on the substantial numbers of renters in the city, particularly senior citizens, those with low or moderate incomes and persons on fixed incomes.

It is further found that tenants have a right to a written lease and that a contractual relationship with a landlord will offer some needed assurances in a volatile rental housing market by providing tenants with knowledge of what the terms of their lease will be for a specified period of time, thereby minimizing displacement that can be caused by unexpected changes to rental terms and rates.

It is further found and declared that in order to protect the health, safety and welfare of the citizens of Glendale and to ensure that all residents of the city have a safe, habitable, well-maintained and stable housing environment, without the fear of reprisal, the city council enacts this chapter, and encourages property owners to provide well-maintained living units and discourage retaliatory evictions. It is vitally important that landlords provide for the care, upkeep and maintenance of residential rental units so that they meet and continue to meet minimum housing standards, particularly for those members of the community on limited or fixed incomes who are least able to protect themselves from retaliation, are least able to find replacement housing and who will accept substandard conditions due to the fear of termination of their tenancy.

SECTION 2. Section 9.30.020 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.020 Definitions.

Unless the context otherwise requires, the terms defined in this chapter shall have the following meanings and govern the construction of this chapter.

“Eviction” means any action taken by the landlord to remove a tenant involuntarily from a rental unit and terminate the tenancy, whether pursuant to a notice to quit, or by judicial proceedings, or otherwise.

“Landlord” means any person, partnership, corporation, family trust or other business entity offering for rent or lease any residential property in this city.

“Lease Year” means the year during which the one year lease is in effect or, if applicable, the option year.

“Rental complex” means one or more buildings used in whole or in part for residential purposes, located on a single lot, contiguous lots, or lots separated only by a street or alley.

“Rental unit” means a dwelling unit available for rent in the city of Glendale together with the land and appurtenant buildings thereto and all housing services, privileges and facilities provided in connection with the use or occupancy thereof, which unit is located in the structure or complex containing a multiple dwelling, boarding house or lodging house.

The term “rental unit” shall not include the following: rooms or accommodations in hotels, boarding houses or lodging houses which are rented to transient guests for a period of less than ~~sixty (60)~~ thirty (30) consecutive days; housing accommodations in a hospital, convent, monastery, church, religious facility, extended care facility, asylum, non-profit home for the aged; dormitories owned and operated by an institution of higher education, or a high school or elementary school; rental units located on a parcel containing ~~two~~ four or fewer dwelling units or within a common interest development; rental units owned or operated by any government agency or whose rent is subsidized by any government agency, including but not limited to

~~Section 8 housing subsidies under the federal government's Housing Choice Voucher program (Section 8); rental units that require intake, case management or counseling as part of the occupation, and an occupancy agreement; or when the landlord complies with~~
Section 9.30.032 of this chapter rental units subject to a covenant or agreement, such as a density bonus housing agreement, inclusionary housing agreement or an affordable housing agreement, with a government agency, including the City, the Housing Authority, the State of California, or the federal government, restricting the rental rate that may be charged for that unit.

"Tenant" means a person entitled by a written or oral agreement or by sufferance to occupy a rental unit to the exclusion of others, and actually occupy said rental unit.

SECTION 3. Section 9.30.025 of the Glendale Municipal Code, 1995 is hereby added to read as follows:

9.30.025 Requirement of offering one-year written leases with options to renew.

- A. Offer. If a tenant or prospective tenant wishes to rent a rental unit from a landlord and if said landlord wishes to rent said rental unit to said tenant or prospective tenant, the landlord must offer to the tenant or prospective tenant a written lease which has a minimum term of one year, with an option to renew such lease for an additional one year term. Such offer must be made in writing and must include the rental rate and any additional fees relative to occupancy for the duration of the lease and renewal term. Signing of a lease which has a minimum term of one year with a one year option shall be considered an offer in writing.
- B. Acceptance. If the tenant or prospective tenant accepts the offer of a written lease which has a minimum term of one year, this acceptance must be in writing. Signing a lease which has a minimum term of one year with the one year option will be considered an acceptance.
- C. Rejection. If the tenant or prospective tenant rejects the offer for a written lease which has a minimum term of one year and this rejection is in writing, then the landlord and tenant or prospective tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one year.
- D. Rent. If the landlord and tenant enter into a written lease which has a minimum term of one year, such lease and option to renew must set the rent and fees relative to occupancy for the rental unit at a rate or rates certain and these rates shall not be otherwise modified during the term of such lease.
- E. Exercise of First Option to Renew. Thirty (30) days prior to the expiration of the initial lease year, if tenant desires to exercise an option to renew and provided there is no just cause for eviction pursuant to Section 9.30.030 of this Code, tenant may exercise the option to renew the lease by notifying the landlord in writing, as set forth herein. If tenant rejects the option of a renewal or fails to exercise the option as required herein, then the landlord and tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one (1) year.

- F. Renewal of Lease After Exercise of First Option. Not later than 120 days prior to the expiration of the option year and every lease year thereafter that a written lease is in effect pursuant to this section, the landlord shall notify those tenants identified in the lease of such expiration and offer in good faith in writing to the tenants a written lease or lease renewal with a minimum term of one (1) year, provided there is no just cause for eviction pursuant to Section 9.30.030 of this Code. Such offer must be made in writing and must include the rental rate and any additional fees relative to occupancy for the duration of the lease. Within sixty (60) days of receipt of such written offer, tenant shall either notify landlord in writing of his or her acceptance of the offer of a written lease, as set forth herein or reject the offer. If tenant rejects the offer of a written lease which has a minimum term of one (1) year, the landlord and tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one (1) year.
- G. A landlord shall offer annually a written lease with a minimum term of one year to a tenant who rejected an initial offer of a written lease with a minimum term of one year but who has rented a unit from the landlord for a period of at least twelve months.
- H. Applicability. This section shall not apply to:
- (1) Any unit that is rented as of the effective date of the ordinance enacting this section, provided, that (a) if the unit is rented subject to a written lease in effect as of the effective date of the ordinance enacting this section, when the lease for such unit expires, this section shall then apply to that unit; or (b) if the unit is rented without a written lease, the landlord shall offer a written lease to the tenant within thirty days after the effective date of this section, provided that the rental rate(s) set forth in such lease offer shall not increase for a period of 120 days after the effective date of the lease.
 - (2) A rental unit occupied by a tenant who subleases that unit to another tenant for less than one year; or
 - (3) A rental unit where tenancy is an express condition of, or consideration for, employment under a written rental agreement or contract or a unit leased to a corporation.
 - (4) Hotels as defined in Glendale Municipal Code section 4.32.020.
- I. Effect of Violation; Defense to Action to Collect Rent. A landlord who does not comply with the provisions of this section shall not increase the rental rate charged to the tenant until the landlord has complied with this section. Failure of a landlord to comply with any of the provisions of this section shall provide the tenant with a defense in any legal action brought by the landlord to collect rent.

SECTION 4. Section 9.30.032 of the Glendale Municipal Code, 1995 is hereby repealed:

~~9.30.032 Exemption.~~

~~— A. — Offering One (1) Year Written Lease. A rental unit shall be exempt from this chapter, if a landlord, willing to rent a rental unit to a tenant or prospective tenant, offers in good faith in writing to the tenant or prospective tenant a written lease which has a minimum term of one (1) year, and:~~

~~— 1. — The tenant or prospective tenant accepts in writing the offer of a written lease which has a minimum term of one (1) year. Signing the lease will be considered an acceptance; or~~

~~— 2. — The tenant or prospective tenant rejects the offer for a written lease either in writing, or by his or her failure to accept the offer of the lease within thirty (30) days of the offer, provided that a lease with a term of one (1) year has been offered to the tenant. The landlord and tenant or prospective tenant may then enter into a written rental agreement that provides for rental terms substantially similar to the lease which has a minimum term of one (1) year, but for a period of less than one (1) year. Every written rental agreement shall contain the following notice, in at least eight (8) point bold face type and circumscribed by a box, immediately above the space for tenant's signature: "This rental unit is exempt from Chapter 9.30 of the Glendale Municipal Code, Just Cause Eviction, because of the landlord's offer of a written lease which has a term of one (1) year."~~

~~— 3. — In the event of an existing tenant, the terms of the written lease shall be substantially similar to the then existing rental terms.~~

~~— B. — Rent. If the landlord and tenant enter into a written lease which has a minimum term of one (1) year, such lease must set the rent for the rental unit at a rate or rates certain and these rates shall not be otherwise modified during the term of such lease, unless agreed upon by mutual written agreement.~~

~~— C. — Renewal of Leases. If the landlord wishes to continue the landlord/tenant relationship, then at least ninety (90) days prior to the expiration of the written lease, the landlord shall notify those tenants identified in the lease or in a separate writing provided to the landlord of such expiration and offer in good faith in writing to the tenants a written lease which has a minimum term of one (1) year. Within thirty (30) days of receipt of such written offer, tenant shall either notify landlord in writing of his or her acceptance of the offer of a written lease, as set forth in subsection (A)(1) of this section or reject the offer. If tenant rejects the offer of a written lease which has a minimum term of one (1) year, the landlord and tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one (1) year, which rental unit shall continue to be an exempt rental unit. If the landlord wishes to continue the landlord/tenant relationship, but without offering a written lease which has a minimum term of one (1) year, then that rental unit shall be subject to the provisions of this chapter.~~

~~— D. — Termination. If the landlord wishes to terminate the rental relationship, then at least ninety (90) days prior to the expiration of the written lease, the landlord shall notify tenant in writing of his or her intent not to renew. Such notice shall be set forth in a writing separate from the lease.~~

~~— E. — Good Faith. The good faith requirement in this section shall mean honestly and without fraud, collusion or deceit. It shall further mean that the written lease is not being utilized as a method of circumventing any of the provisions of this chapter. An example of good faith is when the landlord offers in writing a lease which has a minimum term of one (1) year, that lease is substantially similar to the written rental agreement for a period of less than one (1) year.~~

~~— F. — Notice. The notice herein required shall be given in the manner prescribed in Section 1162 of the Code of Civil Procedure or by sending a copy by certified or registered mail addressed to the other party. In addition, the tenant may give such notice by sending a copy by certified or registered mail addressed to the agent of the landlord to whom the tenant has paid the rent for the month prior to the date of such notice or by delivering a copy to the agent personally.~~

~~— G. — Nonwaiver. Any waiver or purported waiver by a tenant of rights under this title prior to the time when such rights may be exercised, except a rejection of a one (1) year lease offered in accordance with this section, shall be void as contrary to public policy. (Ord. 5383, 2004; Ord. 5340 § 3, 2003)~~

SECTION 5. Section 9.30.050 of the Glendale Municipal Code, 1995 is hereby amended to read as follows:

9.30.050 Affirmative defense and remedies.

~~— In any action by a landlord to recover possession of a rental unit, the tenant may raise as an affirmative defense any violation or noncompliance with the provisions of this chapter. (Ord. 5326, 2002)~~

- A. Defense to Action to Recover Possession. Failure of a landlord to comply with any of the provisions of this chapter shall provide the tenant with a defense in any legal action brought by the landlord to recover possession of the rental unit.
- B. Injunctive Relief. A tenant may seek injunctive relief on his or her own behalf and on behalf of other affected tenants to enjoin the landlord's violation of this chapter.
- C. Remedies are Nonexclusive. Remedies provided in this section are in addition to any other existing legal remedies and are not intended to be exclusive.

SECTION 6. Section 9.30.100 of the Glendale Municipal Code, 1995 is hereby added to read as follows:

9.30.100 Nonwaiver.

Any waiver or purported waiver by a tenant of rights under this chapter prior to the time when such rights may be exercised, except a rejection of a one-year lease or renewal offered in accordance with Section 9.30.025, shall be void as contrary to public policy.

Adopted by the Council of the City of Glendale on the _____ day of _____, 2017.

Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF GLENDALE)

I, Ardashes Kassakhian, City Clerk of the City of Glendale, hereby certify that the foregoing Ordinance was adopted by the Council of the City of Glendale, California, at a regular meeting held on the _____ day of _____, 2017, and that the same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

City Clerk